

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

REMARKS

Claims 1-9 remain in this application and are rejected. As requested, Claims 6 and 8 are amended to clarify the claims. None of the amendments introduces new matter and are made in a bona fide effort to place the claims in better form for allowance or in the alternative in better form for the purpose of consideration on appeal. For the reasons discussed below, the rejections are traversed. It is Applicants' belief that the objections and rejections should be withdrawn and the claims passed to allowance. Applicants also respectfully request withdrawal of the "Final" designation for the Office Action mailed on December 9, 2003 as premature.

1. The Designation Of The Office Action As "Final" Is Premature

Applicants request reconsideration of the designation of the Office Action as "Final." The Office Action gives new grounds for the rejections to which Applicants have not had an opportunity to respond before being subject to a "Final" designation. Applicants respectfully submit that reliance on a different reference in rejecting claims 1-5, and reliance on newly cited prior art to reject claims 4-9 render the "Final" designation premature.

In the First Office Action, the Godin patent was the sole reference used to reject claims 1-5. The Silverman patent, which was not previously applied to claims 1-5, is now the primary reference relied upon combined with the Godin patent. The rejections of claims 4-5 and 6-9 are also now subject to new grounds for rejection based on newly cited prior art. In such a situation, the MPEP states that such an action should not be made final.

If the examiner adds a reference in the next Office action after applicant's rebuttal, and the newly added reference is added only as directly corresponding evidence to support the prior common knowledge finding, and it does not result in a new issue or constitute a new ground of rejection, the Office action may be made final.... If the newly cited reference is added for reasons other than to support the prior common

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

knowledge statement and a new ground of rejection is introduced by the examiner that is not necessitated by applicant's amendment of the claims, the rejection may not be made final. MPEP §2144.03.

The "Final" designation was not necessitated by the amendments, which do not substantively alter the scope of the claims. Claim 1 was reordered to clarify that buyers are given access to bid on an asset only if the buyer's profile code matches the asset profile code. These steps were in the original claims. No limitations were added that would necessitate the new grounds for rejection.

This response is Applicants' first opportunity to respond to the new grounds for rejection and the newly cited prior art. Indeed, Applicants' prior arguments were considered to be moot in view of the new grounds for rejection. Applicants have diligently prosecuted this case from the start and believe the "Final" designation prematurely cuts off their prosecution.

Accordingly, Applicants respectfully request that the Examiner find the "Final" designation to have been premature, and withdraw the same.

2. Claim Rejections - 35 U.S.C. §112

Claims 6-8 are rejected under 35 U.S.C. §112 "as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention." The language quoted in the Office Action is not found in claims 6 and 8 other than to the extent that such language is found in claim 1. Applicants are proceeding on the assumption that the language "if the buyer profile code of the at least one buyer matches the second asset profile code" in claims 6 and 8 is what was intended.

The §112 rejection is basically the same as the rejection of claim 1 from the First Office Action. Claims 6 and 8 are amended in similar form as previously done with claim 1. Applicants respectfully request that the rejection under §112 be withdrawn.

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

3. Claim Rejections - 35 U.S.C. §103

Claims 1-9 are rejected pursuant to 35 U.S.C. §103. Claims 1-5 are rejected in view of the Silverman patent and in further view of the Godin patent. Claims 4 and 5 are rejected in view of Silverman, in further view of Godin, and in further view of the Prince reference. Claims 6-9 are rejected based on Silverman, in further view of Godin and Prince, and in further view of the Johnson patent. Applicants respectfully disagree with and traverse the rejections.

a. Claims 1-5 (Silverman in further view of Godin)

The claimed invention is directed to a method for conducting a government auction. One claimed feature of the present invention is that access to a particular asset is restricted to buyers with a profile code that match an asset's profile code.

With respect to claims 1-5, for the first time Silverman is relied upon for teaching all the claimed elements except for concluding the auction upon expiration of a seller-defined time period and determining a highest bid from the bids accepted during the auction. Godin is relied upon for teaching this remaining element.

The rejection of claims 1-5 on this basis should be withdrawn in that the combination does not teach all of the claimed elements. Also, there is a lacking of any sustainable evidence as to a motivation or suggestion to combine the references.

1. The Cited Combination Does Not Teach The Claimed Elements

Silverman does not disclose the elements listed in the Office Action. For example, Silverman does not teach auctioning assets or the pre-qualification of buyers to gain access to bid on such assets. Silverman is directed to providing a negotiated matching system for traders. Traders provide **ranking** information on other traders. There is no disclosure of granting buyers

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

having a matching profile code access to certain assets. Indeed, there is no disclosure of providing assets with any sort of profile code. Silverman teaches only that one trader can rank other traders with whom he or she does business such that only those traders having a sufficient ranking will be allowed to negotiate the trading of a financial instrument. This matching of trading partners is explained:

Thus, the negotiated matching system according to the present invention only permits dealing between parties who are mutually acceptable counterparties based on the first set of transaction parameters (e.g., ranking, price, size and other "firm" parameters) and does not automatically execute transactions until the parties have agreed on all terms of the transaction. (Col. 5, ll. 1-7).

In order for the invention of Silverman to work, traders must have prior experience with other potential traders so as to create a ranking. Silverman does not, however, address matching a particular asset code with a buyer profile code since there is no disclosure of assigning an asset profile code. It also does not teach pre-authorizing a buyer to participate in an auction for an asset having a particular seller-defined profile. Thus, Silverman does not teach the claim elements recited in the Office Action.

As stated in Applicants' response to the First Office Action (Paper No. 3), Silverman is not analogous art. Silverman does not address auctioning assets at all or address the problem of restricted access auctioning. For this reason as well the rejection should be withdrawn.

1. There Is Not Sustainable Evidence Of Motivation To Combine

There is also no sustainable evidence of any motivation or suggestion to combine Silverman with the Godin patent. When patentability turns on the question of obviousness, included in the analysis must be evidence relevant to whether there is a teaching, motivation, or suggestion to select and combine the references. *McGinley v. Franklin Sports, Inc.*, 262 F.3d

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001). Such evidence must be specific. *In re Kotzab*, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) ("particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed"); *In re Rouffet*, 149 F.3d 1350, 1359, 47 USPQ2d 1453, 1459 (Fed. Cir. 1998) ("the Board must identify specifically the principle, known to one of ordinary skill, that suggests the claimed combination.").

The reasoning provided in the Office Action for combining Silverman with Godin is that:

"the combination of the disclosures taken as a whole suggests that both the seller and the potential buyer would benefit from the knowledge that their requirements are properly matched and they would thereby save valuable time and effort in not pursuing deals where there is no proper matching and the seller would save time by defining a closing time for auction if there are not proper bids."

(Final Office Action at p. 4). It is further stated that the basis for the finding of a motivation to combine the reference is that "the motivation to combine as provided in the rejections would have been obvious to one with ordinary skill in the art." (Final Office Action at p. 7).

The citation to the combination of the disclosures as a whole is contrary to the proper determination of a motivation to combine references. The Office Action appears to incorrectly combine the references and then find the motivation to combine from the combination itself.

The reliance on the knowledge of one of ordinary skill without documentary evidence, as done in the Final Office Action, is also improper.

Any rejection based on assertions that a fact is well-known or is common knowledge in the art without documentary evidence to support the examiner's conclusion should be judiciously applied. ... [A]ny facts so noticed should be of notorious character and serve only to "fill in the gaps" in an insubstantial manner which might exist in the evidentiary showing made by the examiner to support a particular ground for rejection. It is never appropriate to rely solely on common

Appl. No. 09/580,145

Amdt. dated January 9, 2004

Response to Final Office Action Pursuant to 37 CFR 1.116

knowledge in the art without evidentiary support in the record as the principal evidence upon which a rejection was based. MPEP §2144.03 (citations omitted).

No evidence is provided to support the assertion that the motivation to combine would have been obvious to one of ordinary skill. At best, it demonstrates only that the combination would be obvious to try. "'Obvious to try' has long been held not to constitute obviousness. ... A general incentive does not make obvious a particular result, nor does the existence of techniques by which those efforts can be carried out." *In re Deuel*, 51 F.3d 1552, 1559, 34 USPQ2d 1210, 1216 (Fed. Cir. 1995). Thus, the rejections for claim 1-5 should be withdrawn.

b. Claims 4-5 (Silverman in further view of Godin and Prince)

For the reasons discussed above with regard to claims 1-5, Applicants submit that the elements of claims 4 and 5 are not disclosed by the Silverman and Godin patents. Applicants further submit that the Prince reference does not disclose the strike price limitation.

Prince is relied upon as purportedly disclosing a strike price. Applicants respectfully submit this finding is misplaced. Prince does not disclose a strike price. A strike price is a price at which an auction is concluded and the sale made if a bid at that strike price is submitted. Bidding can occur and be accepted at prices below the strike price. However, if a bid is made at or above the strike price, the auction is concluded and the sale made to the strike price bidder.

A reserve price is different from a strike price. With a reserve price auction a reserve price is set by the buyer, and the asset is awarded to the highest bidder under the condition that the reserve price is met. With a reserve price auction, even though bids may meet the reserve, bidding continues until a designated time. By contrast, a strike price means that if the strike price is hit by a bidder, bidding ends and the asset is sold to the bidder of the strike price. Therefore, in a reserve price auction, a bidding continues after the reserve price is met and the winning bid can

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

exceed the reserve price. By contrast, in an auction with a strike price, bidding does not continue after the strike price is met. Such a bidding method is not disclosed by Prince.

Applicants also request information to determine whether Prince even qualifies as prior art. Depending on when in 1999 Prince was published, it may or may not qualify as prior art.

c. Claims 6-9 (Silverman in further view of Godin and Prince and Johnson)

Claim 6-9 are rejected as obvious in view of Silverman in further view of Godin and Prince, and in further view of the Johnson patent.

For the reasons discussed above, Applicants respectfully submit that the combination of Silverman, Godin, and Prince does not disclose the claimed invention. Applicants also submit that the Johnson patent does not disclose the step of assigning an asset a second asset profile code.

The second asset profile is part of a tiered auction process. For example, as discussed in Applicants' previous response, an asset may be given an asset profile that limits buyers to those with a local municipal agency. If the asset is not sold, the asset is given an new asset profile that limits buyers to those a state agency. None of the cited art teaches conducting a tiered auction where an asset is given a first profile code which can be accessed by buyers having a matching profile code, and then if a strike price is not met, reassigning the asset with a different profile code, which can be accessed by buyers matching this new profile code.

Johnson does not deal with the auctioning of assets. Instead, it addresses a market research database incorporating a set of dynamic rules which respond to the input of information into the database in order to populate still other information into the database. There is no disclosure of the auctioning of assets, nor the assigning of profiles to assets for auction at all. There is also no disclosure to the matching of asset profile codes with a buyer profile code. The cited portion of Johnson is only concerned with assigning a new UPC code to a product in a

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

market research database if the previous UPC code is recycled. This has no relevance to giving an asset a new profile code in a tiered auction.

Applicants respectfully submit that the cited motivation to combine references is misplaced and demonstrates the inapplicability of Johnson. The cited motivation is that "[t]he combination of the disclosures taken as a whole suggests that it would help the system maintain all the information stored about the asset in the database." The assignment of a second asset profile code is not directed to the maintenance of a database as is the focus of Johnson. Instead, the new asset profile code is to open the asset to different potential qualified buyers.

Applicants also submit that Johnson is not analogous prior art. The present invention is directed to computer based auction methods. Johnson addresses a dynamic rule based market database. These are not the same field of endeavor, nor is Johnson reasonably pertinent to the particular problem with which the present invention is directed. Therefore, it is not analogous art. *See e.g., In re Deminski*, 796 F.2d 436, 442, 230 USPQ 313, 315 (Fed. Cir. 1986).

4. Claim Amendments

Claims 6 and 8 are amended by reordering slightly to clarify that assets for auction are provided to a buyer for bidding only if the buyer's profile code matches the asset's profile code. No new matter is added.

Appl. No. 09/580,145
Amdt. dated January 9, 2004
Response to Final Office Action Pursuant to 37 CFR 1.116

For the reasons discussed, the rejections in the Office Action are traversed and Applicants request that the rejections be withdrawn. Applicants also request that the designation of the Office Action as Final be withdrawn. Applicants further respectfully request that a timely Notice of Allowance be issued in this case.

Respectfully submitted,

Date: January 9, 2004

By: 

Joseph M. Kuo
(Reg. No. 38,943)

OLSON & HIERL, LTD.
20 North Wacker Drive, 36th Floor
Chicago, IL 60606
(312) 580-1180